



PRELIMINARY STATEMENT

I. GENERAL INFORMATION

A. Territory Served

San Diego Gas & Electric Company supplies gas service to customers in San Diego County, California as more fully described on the Map of Territory Served. The territory in which each schedule is applicable is more specifically described on the schedule and on the Rate Area maps for Natural Gas Service. All natural gas service customers are within Baseline Climatic Zone 1, having 2,500 or less heating degree days per year.

B. Description of Service

Detailed description of service is given under Rule 2.

C. Procedure to Obtain Service

Detailed procedure to obtain service is given in Rule 3. Where an extension of the utility's mains is necessary or a substantial investment is required to supply service, applicant will be informed as to the conditions under which service will be supplied.

D. Establishment of Credit and Deposits

1. Establishment of Credit

Credit may be established as provided in Rule 6 by one of the following:

- a. Ownership of premises
- b. Cash deposit
- c. Satisfactory guarantee
- d. Previous prompt payment of bills for 12 months prior to date of application.

2. Deposits

Where credit is not otherwise established, deposit will be required in amounts as set forth in Rule 7.

(Continued)



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E. General

1. Measurements

All gas is measured by means of meters.

2. Discounts

Rates hereinafter listed are net rates and are not subject to discount, except as provided in Schedule G-90.

3. Interest

No interest will be paid by the utility unless it is specifically provided for in the tariff schedules, or ordered by the Public Utilities Commission, except as otherwise provided by Federal Public Law 97-177.

Interest will accrue monthly to the Balancing and Memorandum Accounts set forth in Preliminary Statement Sections IV & V. The calculation will be based on the average of the beginning and ending balance of such accounts at the rate of 1/12 of the most recent month's interest rate on Commercial Paper (prime, 3-month), published in the Federal Reserve Statistical Release, H.15. Should publication of such interest rate be discontinued, interest will so accrue at the rate of 1/12 of the most recent month's interest rate on Commercial Paper, which most closely approximates the discontinued rate, and which is published in the Federal Reserve Statistical Release, H.15., or its successor publication.

4. Lamp Service

No lamps, globes or mantle renewals are made.

5. Standard Riders

No standard riders are used.

F. Symbols

Whenever tariff sheets are refiled, changes will be identified by the following symbols:

- (C) To signify changed listing, rule or condition which may affect rates or charges.
- (D) To signify discontinued material, including listing, rate, rule or condition
- (I) To signify increase.
- (L) To signify material relocated from or to another part of tariff schedules with no change in text, rate, rule or condition.
- (N) To signify new material including listing, rate, rule or condition.
- (R) To signify reduction.
- (T) To signify change in wording of text but not change in rate, rule or condition.

G. Franchise Fee Differential

A franchise fee differential will be applied to the billings calculated under all schedules for all customers within the boundaries of the hereinafter designated political subdivisions. The franchise fee differential will be based on the difference between the franchise fee percentage and 2.0%.

The following is the applicable franchise fee differential: City of San Diego 1.03%.

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